

NOTICE OF FINAL RULEMAKING
MARICOPA COUNTY AIR POLLUTION CONTROL REGULATIONS
RULE 280 –FEES

PREAMBLE

1. **Rule Affected** **Rulemaking Action**
Rule 280 **Amend**
2. **Statutory authority for the rulemaking:**
Authorizing statutes: A.R.S. §§ 49-402, 49-473(B), 49-476.01(A), 49-476.01(C), 49-479, 11-251.08(A)
Implementing Statute: A.R.S. §§ 49-480(D), 49-480(E), 49-480(J), 49-112(A), 49-112(B), 11-251.08(B)
3. **The effective date of the rules:**
July 1, 2005
4. **List of all previous notices appearing in the register addressing the proposed rule:**
 - a. Notice of Rulemaking Docket Opening: Volume #10, A.A.R. Issue #52, p. 5223, December 27, 2004
 - b. Notice of Proposed Rulemaking: Volume #11, A.A.R. Issue #14, p.1291, April 1, 2005
5. **Name and address of department personnel with whom persons may communicate regarding the rulemaking:**
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6. **Explanation of the rule, including the department's reasons for initiating the rule:**
Summary: The Maricopa County Air Quality Department (MCAQD) is changing the fees it charges to owners and operators of sources of air pollution. The affected fees are for billable permit actions, annual administrative fees for Title V and Non-Title V sources, emissions-based fees for Title V sources, general permit fees, gasoline delivery vessel fees, permit to burn fees, earth moving permit fees, asbestos notification and plan review filing fees, and other miscellaneous administrative fees. MCAQD is reclassifying some sources to different fee table categories based on the Department's experience in applying the revised classifications adopted in May 2003. MCAQD is also reclassifying to a higher fee category sources that receive three complaints on different dates

during a one year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action.

Background: The need for permit fee rules is based on the County's mandate to comply with state law and the federal Clean Air Act. The County is required to develop and implement a permit program in which fees paid by sources will support program development and implementation costs. The program fee requirement is statutorily mandated by Arizona Revised Statutes (A.R.S.) § 49-480(D)(1) and (D)(2). A.R.S. § 49-480(D)(1) requires the County to establish a fee system for Title V sources that is consistent with and equivalent to that prescribed under § 502 of the Clean Air Act (CAA). A.R.S. § 49-480(D)(2) requires the County to determine a permit fee for non-Title V sources based on all reasonable direct and indirect costs required to administer the permit, but not to exceed twenty-five thousand dollars. Furthermore, A.R.S. § 49-480(D)(2) requires the County to establish an annual inspection fee, not to exceed the average cost of services. Arizona law and the CAA, both provide for increasing permit fees based on the consumer price index. The revisions to Rule 280 conform to these mandates.

Another objective met by these rules is to assure that the Maricopa County's Title V permit fee program is EPA-approvable, thus avoiding a federally-administered program in this state. Title V of the 1990 Clean Air Act amendments provides for a permit system implemented by states, and requires that states recover costs (direct and indirect) incurred to develop and administer the operating permit program, including the following costs:

- Preparing rules and implementing procedures for the permit program, including enforcement provisions.
- Reviewing and acting upon permit applications, including permit revisions, renewals, etc.
- Administering and operating the program (e.g., all activities pertaining to issuing permits; supporting and tracking permitted sources; compliance certifications; and related data entry).
- Implementing and enforcing permit terms, excluding court costs or other costs associated with enforcement actions.
- Performing emissions and ambient monitoring.
- Performing modeling, analyses, and demonstrations.
- Preparing inventories and tracking emissions.
- Developing and administering a Small Business Assistance Program (SBAP)

A complication to County rulemaking authority relates to a statutory provision that links county permit fees to those that the Arizona Department of Environmental Quality (ADEQ) sets. A.R.S. § 49-112 was added by the legislature in 1994, placing limits on county environmental rules. Subsection (B) limits the amount the counties may charge for their permit fees to an amount "approximately equal or less than" the fee the state program may charge. "Approximately equal" is defined in A.R.S. § 49-101 as "not greater than ten percent more than the

fees or costs charged by the state for similar state permits or approvals.” A small number of sources regulated by Maricopa County fall under A.R.S. 49-112(B).

In 1999, ADEQ, Maricopa, Pima, and Pinal Counties developed updated workload analyses of costs associated with all components of the air quality programs and initiated a stakeholder process to develop a modified structure for revenues that would equitably distribute the cost of the programs to the sources those programs cover. The stakeholder process resulted in a recommended structure that decreased revenues from annual emission-based fees, increase revenues from annual fixed fees (based on the relative burden to administer the permits), and updated the revenue basis for processing permit applications. This recommendation led to the modification of the Arizona and Maricopa County fee rules for air pollution permit processing and annual fees. Maricopa County adopted the resulting fee schedule on May 21, 2003 and the rule became effective on July 1, 2003.

In August 2004, the Maricopa County Board of Supervisors approved a supplemental request for 19 additional full-time equivalent positions to work proactively and directly on compliance and enforcement of the earthmoving fugitive dust program. The supplemental request was to address, in part, U.S. EPA’s July 2, 2002, state implementation plan inadequacy finding (67 FR 44369). The Board of Supervisors directed the Department to complete a user fee analysis and obtain Maricopa County Office of Management and Budget (OMB) concurrence of the proposed fees no later than December 31, 2004. The intent of the user fee analysis is to have new fees reviewed and approved by the Board of Supervisors to be effective no later than July 1, 2005.

In September 2004, the Maricopa County Office of Management and Budget (OMB) retained the services of Deloitte Consulting LLP to complete a fee analysis. Deloitte Consulting LLP worked with OMB and the Departments of Air Quality and Environmental Services to develop a structure to establish fees for fiscal year 2006.

On November 17, 2004, the Maricopa County Board of Supervisors approved the creation of a new department, the Maricopa County Air Quality Department. This action separated air quality functions from the Environmental Services Department and allows the new department to focus exclusively on regional air issues.

Deloitte Consulting developed a fee model to calculate the Department’s direct and indirect costs for each of the fees charged. They assisted by analyzing the Departments’ activity structure and developing rates to recover the total costs of each activity, including overhead. This includes additional expenses necessary to achieve projected fiscal year 2006 outputs and results as well as adjustment factors such as salary and benefit increases, increased staffing, vacancy factors, and increased rental costs and changes in space. The fee model is a Microsoft Excel workbook with an input area for budget (or actual) cost items, demands, and adjustment factors, which calculates the direct costs for each fee. The calculation of direct fees reflects the time study

information that the Department has completed. The allocation of indirect costs includes the County-wide allocation by fund plus the Departmental and Divisional overhead as determined jointly by the Department, OMB and Deloitte Consulting.

In January 2005, the fee study was completed and MCAQD and OMB concluded that fee increases are necessary to provide sufficient revenue to cover the costs of the air quality program. The increases are due to lower than expected revenues in fiscal year 2004 and 2005 and anticipated increased costs in fiscal year 2006. Specifically, the increases are due to the following:

- Revenues from permit processing fees were lower than expected due to fewer billable hours being available for cost recovery and some billable hours not being tracked and invoiced.
- Revenue from annual administrative fees and emission fees were lower than expected for Title V due to a switch to new cleaner electrical generating units, permit cancellations, and a shift to less expensive permits.
- The prior workload analysis relied on the receipt of grant funds from the Arizona Air Quality Fund established under A.R.S. § 49-551. The grant funds added to the Air Quality Fund have not been appropriated by the Legislature for the past two years indicating that the grant funds can not be relied upon to fund programs.
- An estimated 2.5% reduction in grant funding from the U.S. Environmental Protection Agency as a result of congressional reductions to the federal budget.
- The Department anticipates significant increased costs as a result of actions taken to address to U.S. EPA's July 2, 2002, state implementation plan inadequacy finding (67 FR 44369). Namely, increased staffing to work proactively and directly on compliance and enforcement of the earthmoving fugitive dust and vacant lot programs, and increased inspection frequencies at nonmetallic mineral processing facilities.
- The Department anticipates significant increased costs as a result the November 17, 2004, action by the Maricopa County Board of Supervisors to create a new department, the Maricopa County Air Quality Department.
- Increased costs due to increased inspection frequency for all Title V sources from one inspection every two years to one inspection per year to be consistent with Arizona Department of Environmental Quality.
- Increased salaries based on market studies and increased costs associated with employee related benefits.

For a Title V source, the fee structure includes an hourly-based permit processing fee. The source must also pay an annual administrative fee plus an annual emissions-based fee. The fee structure for new and modified Non-Title V sources includes an hourly-based fee not to exceed a total of \$25,000. The Non-Title V source must also pay an annual administrative which includes a portion of the permit processing fee for permit renewal. For a source that is covered under a general permit, the fee structure is based on fixed amounts for obtaining an authorization to operate and an annual administrative fee. The Non-Title V and general permit annual fees include 1/5 of permit processing fee for permit renewal as well as the annual costs for inspection,

emission inventory, and regulatory activities. The structure allows the Non-Title V source to pay approximately the same fee each year and avoid the second fee due every 5 years at permit renewal.

On April 1, 2005, MCAQD proposed changes to the permit fee rule. A comment was received in relation to another rulemaking that is germane to this rulemaking. This comment is discussed in Section 10 of this rulemaking.

Section by Section Explanation of Changes:

Rule 280, Section 301 Title V Permit Fees The following table illustrates the fees a Title V source will pay under the rule.

Title V Permit Fees

Permit Action	Type of Fee	Fee	Payment Time
New Facility	Permit Processing	\$108.00/hour, \$40,000.00 cap	Prior to permit issuance
	Annual Fees	Fixed Fee + \$13.24/ton, max 4,000 tons per pollutant, excluding certain fugitive emissions, no emissions already counted as VOC or PM ₁₀ , CO exempted	After initial start-up, every anniversary date for fixed fee and April 30 th for emission fees
Existing Facility	Permit Processing (Renewals)	\$108.00/hour, \$40,000.00 cap	Prior to issuance
	Annual Fees	Fixed Fee + \$13.24/ton, max 4,000 tons per pollutant, excluding certain fugitive emissions, no emissions already counted as VOC or PM ₁₀ , Co exempted	Every anniversary date for fixed fee and April 30 th for emission fees
Permit Revisions	Permit Processing	\$108.00/hour, \$40,000.00 cap	Prior to issuance
Administrative Amendments, Changes per Rule 210, Subsection 403, Transfers	No Fee		

Rule 280, Section 301 Title V Permit Fees, 301.1 Fees for Billable Permit Actions:

This amendment to this section raises the permit processing fee base from \$66.00 (the 2005 CPI-adjusted fee is \$70.20) to \$108.00 per hour for all permit processing time required for a billable permit action.

Rule 280, Section 301 Title V Permit Fees, 301.2 Annual Fees:

The amendments to this section raise annual administrative fees as shown below and raise emissions-based fee from \$11.75 (the 2005 CPI-adjusted fee is \$12.49) to \$13.24 per ton of actual emissions of all regulated pollutants emitted during the previous calendar year as determined by Section 305.

The amendments also establish a new annual fee for turbines at primary fuel natural gas utilities installed/modified after May 10, 1996 and subject to annual source testing or continuous emissions monitoring relative accuracy test audit (CEM RATA) certifications. These turbines are subject to new source review and prevention of significant deterioration (NSR/PSD) permit conditions that require annual source testing for each unit and audits of their associated continuous emission monitors. Testing requirements for turbines and natural gas power plants specify each performance test consist of three separate test runs and two to four different capacity tests per turbine resulting in six to twelve separate test reports per turbine. These testing requirements and report reviews consume significant Department resources. The department updated its workload analysis and determined that the workload associated with conducting source performance testing and CEM RATA certifications at utility sources was substantially underestimated in the 2002 workload analysis. The underestimate resulted because the 2002 workload analysis calculated the hours associated with source testing and CEM RATA certifications per utility (assuming 11 utilities) rather than per utility turbine. The number of turbines at an individual utility ranges from 2 to 8 turbines per utility. There are thirty new and modified turbines permitted by MCAQD which are subject to performance testing. The requirement to test each turbine significantly increased the testing workload per utility above the average testing hours for natural gas fired utilities permitted by ADEQ. For this reason, the Department separated the testing workload from the base per utility administrative fee to more equitably assess fees on a per unit tested basis.

Title V Source Category	Annual Administrative Fee
Aerospace	\$10,700 <u>\$13,580</u>
Cement Plants	\$39,500 <u>\$44,520</u>
Combustion/Boilers	\$9,200 <u>\$10,820</u>
Compressor Stations	\$8,700 <u>\$9,420</u>
Expandable Foam	\$9,200 <u>\$9,960</u>
Landfills	\$9,300 <u>\$11,800</u>
Lime Plants	\$37,000 <u>\$41,700</u>
Copper & Nickel Mines	\$9,300 <u>\$10,480</u>
Gold Mines	\$12,700 <u>\$10,480</u>
Paper Mills	\$12,700 <u>\$14,310</u>
Petroleum Products Terminal Facilities	\$10,800 <u>\$17,480</u>

Polymeric Fabric Coaters	\$9,500 <u>\$11,560</u>
Reinforced Plastics	\$4,900 <u>\$9,040</u>
Semiconductor Fabrication	\$10,800 <u>\$18,830</u>
Copper Smelters	\$39,500 <u>\$44,520</u>
Utilities – Primary Fuel Natural Gas	\$11,200 <u>\$8,450 +</u> <u>\$15,130 per turbine installed/modified after</u> <u>May 10, 1996 and subject to annual source</u> <u>testing or CEM RATA* certification.</u>
Utilities - Fossil Fuel Except Natural Gas	\$20,200 <u>\$22,760</u>
Vitamin/Pharmaceutical Manufacturing	\$6,200 <u>\$11,050</u>
Wood Furniture	\$6,200 <u>\$9,820</u>
Others	\$9,900 <u>\$12,250</u>
Others with Continuous Emissions Monitoring	\$12,700 <u>\$14,320</u>

*Continuous emissions monitoring relative accuracy test audit (CEM RATA)

Section 302 Non-title V Permit Fees Subsections 302 detail fees for Non-Title V permits. The following tables illustrate the fees Non-Title V sources will be responsible to pay.

Non-Title V Permit Fees

Permit Action	Type of Fee	Fee	Payment Time
New Facility	Permit Processing	Tables A, B, C, C, E, F, & G \$108.00/hour, \$25,000 cap. The minimum fee due shall be a \$200.00 application fee.	Application Fee and any balance due prior to permit issuance
	Annual Fees	Fixed Fee	After initial start-up, every anniversary date for fixed fee

Existing Facility	Annual Fees, include permit renewals	Fixed Fee	Every anniversary date for fixed fee
Permit Revisions	Permit Processing	Tables A, B, C, D, F, & G \$108.00/hour, \$25,000 cap. The minimum fee due shall be a \$200.00 application fee.	Application Fee and any balance due prior to issuance
Administrative Amendments, Changes per Rule 210, Subsection 403, Transfers	No Fee		

Section 302 Non-Title V Permit Fees, 302.1 Fees for Billable Permit Action

The amendments in this section make several changes to the rule. First, they add two new fee table categories, Table F and Table G. Second, the amendments require that a Non-Title V source pay the permit processing fee for a billable permit action [except for the renewal of an existing permit] if the final cost of permit processing are greater than the \$200 application fee. The amendments require a minimum fee of \$200.00 due with an application. Previously Table C, D, and E sources were only required to pay the application fee from the table in subsection 302.1 (a). The table in subsection 302.1 (a) is deleted. Any amount due over the application fee is due prior to issuing the permit. Third, they raise the permit processing fee base from \$66.00 (the 2005 CPI-adjusted fee is \$70.20) to \$108.00 per hour for all permit processing time required for a billable permit action. Fourth, they lower the application fee for new permit application and non-minor permit revision application from \$350 to \$200. Finally, they raise the application fee for minor permit revision application from \$150 to \$200.

Section 302 Non-title V Permit Fees, 302.2 Annual Fees

The amendments in this section raise Non-Title V annual administrative fees as shown below and add two new fee table categories (Table F and Table G) and applicable annual administrative fees:

Non-Title V Source Type	Annual Administrative Fee
Source listed in Table A	\$3,100 <u>\$5,880</u>
Source listed in Table B	\$1,300 <u>\$1,660</u>
Source listed in Tables C—E	\$360
<u>Source listed in Table C-D</u>	<u>\$520</u>
<u>Source listed in Table E</u>	<u>\$370</u>
<u>Source listed in Table F</u>	<u>\$7,380</u>

Source listed in Table G	\$4,780
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Section 303 General Permit Fees Subsections 303 detail fees for general permits. The following tables illustrate the fees general permit sources will be responsible to pay.

General Permit Fees

General Permit	Permit Processing	Fixed Fee	Application Fee
	Annual Fee, includes renewal fee	Fixed Fee	Anniversary date of initial authorization to operate (ATO) approval

Section 303 General Permit Fees, 303.1 Fees Due with an Application

These amendments raise the application fee for a general permit as shown below and add two new fee table categories and applicable application fees:

Source Category Table	Application Fee
Title V General Permits	Administrative —Fee from <u>Section 301.2.a</u> table for <u>Title V source category</u>
Table A	\$3,000 <u>\$3,580</u>
Table B	\$1,000 <u>\$1,190</u>
Table C - D	\$300 <u>\$380</u>
Table D	\$335
Table E	\$290 <u>\$290</u>
<u>Table F</u>	<u>\$6,200</u>
<u>Table G</u>	<u>\$4,030</u>

Section 303 General Permit Fees, 303.2 Annual Fee

These amendments raise the administrative and permit renewal fee for general permits as shown below and add two new fee table categories and applicable administrative and permit renewal fees:

Source Category Table	Application Fee
Title V General Permits	Administrative —Fee from <u>Section 301.2.a</u> table for <u>Title V source category</u>
Table A	\$3,000 <u>\$3,580</u>
Table B	\$1,000 <u>\$1,190</u>

Table C – D	\$300 <u>\$380</u>
Table D	\$335
Table E	\$290 <u>\$290</u>
<u>Table F</u>	<u>\$6,200</u>
<u>Table G</u>	<u>\$4,030</u>

Section 304 Annual Adjustments of Fees

First, the amendment establishes that fees will be adjusted by the Consumer Price Index (CPI) every January 1, beginning on January 1, 2006. Second, the amendment establishes 2004 as base year used to adjust by the CPI.

Section 308 Gasoline Deliver Vessel Fee

This amendment raises the gasoline delivery vessel fee from \$115.00 to \$280.00.

Section 309 Permit to Burn Fee

These amendments raise the permit to burn fee as shown below

Fire Category	Permit Period	Fee
Tumbleweeds	30 days	\$ 50.00 <u>\$100.00</u>
Fire Hazard	30 days	\$ 50.00 <u>\$100.00</u>
Fire Fighting Instruction	1 year	\$ 50.00 <u>\$100.00</u>
Ditch Bank/Fence Row	1 year	\$ 50.00 <u>\$100.00</u>
Disease/Pest Prevention	30 days	\$ 62.00 <u>\$100.00</u>
Land Clearance	30 days	
Less than 5.0 acres		\$74.00 <u>\$150.00</u>
5.0 acres or greater		\$144.00 <u>\$350.00</u>
Air Curtain Destructor	30 days	\$249.00 <u>\$350.00</u>

Section 310 Earth Moving Permit Fee

The amendments in this section replace references to "earth moving permit" with "dust control permit" and they raise the dust control permit fees as shown below:

Total Surface Area Disturbed	Fee
Annual Block Permit fee	\$2000.00
0.1 to less than one acre	\$75.00 <u>\$150.00</u>
One acre or greater	\$36.00 per acre plus \$110.00 <u>\$150.00</u>

Section 311 Asbestos Notification and Plan Review Filing Fee

The amendments in this section raise the asbestos notification and plan review filing fee from \$425.00 to \$1,060.00.

Section 312 Late Fee

First, the amendments in this section raise the late fee from \$70.00 to \$100.00. Second, the amendments require a \$100.00 late fee for an applicant for a required permit who has received a Notice of Violation for failing to file a timely application to renew such permit. Third, the amendments replace references to earth moving permit with dust control permit. Fourth, the amendments replace conducting earth moving activity with engaging in dust generating operations. Lastly, the amendments replace operating the earth moving equipment with engaging in dust generating operations.

Section 313 Delinquency Fee

The amendments proposed in this section would raise the 30-day delinquency fee from \$35.00 to \$50.00 and raise the 60-day delinquency fee from \$70.00 to \$100.00.

Section 400 Administrative Requirements, 401 Transition to Revised Fees

The effective date for the revised fees, except for the emission fee, shall become effective July 1, 2005. The revised emissions fee shall become effective January 1, 2006, beginning with the emissions reported for calendar year 2005.

Section 403 Table A, Table B, Table C, Table D, Table E, Table F, and Table G Sources

The amendments in this section make several changes to the rule. First, they establish two new fee categories, Table F and Table G. Table F and Table G sources are defined in Section 403.6 and 403.7 of the rule, respectively. Table F and Table G include sources previously contained in Table A and Table B. The amendment raises the annual fees for sources reclassified from Table A and B to Table F or Table G. The sources specifically affected by the new fee categories are shown below:

Sources Reclassified from Table A to Table F:

- Hot Mix Asphalt Plant;
- Semiconductor Manufacturing \geq 25 Tons per Year Potential Uncontrolled VOC Emissions or Facility With Controls

Sources Reclassified from Table B to Table F:

- Aggregate Production/Crushing subject to an NSPS under CAA Section 112

Sources Reclassified from Table B to Table G:

- Aggregate Production/Crushing not subject to an NSPS under CAA Section 112;

- Concrete Batch Plant

Second, the amendments in Section 403 establish a mechanism to reclassify sources to a higher fee category if the Department receives three (3) complaints on different dates during a one year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action. The amendments in Section 403 require that source reclassified to a higher fee category due to the receipt of multiple complaints would remain in that classification until to calendar years pass without complaints resulting in violations resolved by an order of abatement by consent or judicial action.

Third, the amendments remove Tennis Ball Manufacturing from Table A because the only Tennis Ball Manufacturing facility operating in Maricopa County is a Title V source.

Fourth, the amendments add the following source categories to Table B:

- Boiler, gas fired, with ≥ 10 MMbtu/hr (includes units subject to the NSPS)
- Tire shredding/retreading
- Reinforced Plastics
- Rubber Products Manufacturing with only molding

Fifth, the amendments modified the following fee table source categories:

- In Table B, revised “Internal Combustion Engine, cogeneration” to “Internal Combustion Engine, other than emergency”
- In Table B – revised “Plating Tanks, Electrolytic or Electrowinning” to “Plating Tanks, Electrolytic or Electrowinning (includes decorative chrome and hard chrome operations ≤ 60 million amp/hrs per year subject to MACT”.
- In Table D, revised “Service Station and larger Non-resale dispensing operations” to “Service Station and Non-resale dispensing operations $> 120,000$ gallons per year”

The amendments also separate the following source categories from one fee table into two separate fee tables as shown:

Current Fee Table Category	Proposed Fee Table Category	Proposed Fee Table Category
Table A	Table A	Table B
Polymeric Foam Products	Polymeric Foam Products ≥ 25 tons per year potential uncontrolled VOC emissions or facility with controls	Polymeric Foam Products without control and < 25 tons per year potential uncontrolled VOC emissions
Table A	Table A	Table F
Semiconductor manufacturing	Semiconductor manufacturing without	Semiconductor Manufacturing ≥ 25

	VOC controls and < 25 Tons per year of potential uncontrolled VOC emissions	tons per year potential uncontrolled VOC emissions or facility with controls
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Demonstration of compliance with A.R.S. §49-112:

Based on information and belief, the Control Officer of the Maricopa County Air Quality Department affirms the following:

- A. Maricopa County is in compliance with A.R.S. §49-112(A) in that Maricopa County Air Quality Department is proposing to adopt revisions to fees that fund programs implementing control measures included or proposed for inclusion in the State Implementation Plan (SIP) for the Maricopa County Nonattainment Area. Maricopa County may adopt rules that are more stringent than the State pursuant to A.R.S. §49-112 as enacted in 1994, provided that the emission standard is required by law or is necessary and feasible to prevent a significant threat to public health or the environment that results from a peculiar local condition.

Maricopa County fails to meet the National Ambient Air Quality Standards (NAAQS) for ozone and particulates. In January 2005, the EPA administrator signed the final rule approving the Carbon Monoxide (CO) Maintenance Plan and redesignating Maricopa County to attainment for CO. In addition, Maricopa County is the only ozone nonattainment area in Arizona.

Maricopa County is also the only PM₁₀ serious nonattainment area in Arizona, consequently stronger regulations must be adopted in this area to address a serious health threat. In July 2002, the Environmental Protection Agency granted Arizona's request to extend the Clean Air Act deadline for attainment of the annual and 24-hour PM₁₀ standards from 2001 to 2006. With of this deadline extension, Arizona is required to submit to the Environmental Protection Agency a revised PM₁₀ State Implementation Plan (SIP) for the Salt River SIP, which must include control strategies that meet the Best Available Control Measures (BACM) test and the Most Stringent Measures (MSM) test for significant sources and source categories and that demonstrate attainment of the 24-hour federal standard for coarse particulate matter air pollution by December 31, 2006. In addition, the Environmental Protection Agency requires that Best Available Control Measures (BACM) and the Most Stringent Measures (MSM) be applied to similar sources throughout the Maricopa County serious PM₁₀ nonattainment area. Industrial sources were found to be significant contributors to PM-10 violations in the Salt River SIP. The increase in fees for these industrial sources will address emission limitations and enhanced enforcement which reduce concentrations of PM-10 and implement control measures proposed for inclusion in the State Implementation Plan (SIP) for the Maricopa County Nonattainment Area.

The Clean Air Act §§ 161, 165, 173, and 502 require state and local governments that have jurisdiction over stationary sources to adopt permitting programs for new source review, prevention of significant deterioration, and Title V operating permits. Maricopa County's rules for these programs are substantially identical to procedures for the review, issuance, revision and administration of permits issued by the State. However, these procedures contain requirements that address nonattainment area status, increment consumption analysis and impacts on nearby nonattainment areas. These requirements result in permit conditions that address the specific atmospheric and geographical conditions found at the source's location. §502(b)(3)(A) of the Clean Air Act also that all sources required to obtain a permit under Title V pay an annual fee sufficient to recover all reasonable (direct and indirect) costs required to develop and administer the permit program. The section specifically mentions that reasonable costs include emissions and ambient monitoring. Maricopa County Rule 270 refers to the Arizona Testing Manual which has been approved in the federally enforceable State Implementation Plan. Section 1.2 of the manual requires that major sources having multiple emission points must submit facility test schedules assuring annual testing of major emission sources and multi-year rotation of minor emission point verification as required by Permit conditions.

The increase in fees for sources covered by rules or programs that fall into the categories described in the paragraphs above will not exceed the reasonable costs of the county to issue and administer that permit or plan approval program.

- B. Maricopa County is in compliance with A.R.S. §49-112(B) in that Maricopa County Air Quality Department is proposing to adopt rules that are as stringent as a provision of A.R.S. Title 49 or rules adopted by the Director of ADEQ or any Board or Commission authorized to adopt rules pursuant to A.R.S. Title 49. The cost of obtaining permits or other approvals from Maricopa County will approximately equal or be less than the fee or cost of obtaining similar permits or approvals under Title 49 or any rule adopted pursuant to Title 49 for sources not covered by rules that fall under paragraph A.

7. **Reference to any study relevant to the rule that the department reviewed and either proposes to rely on in its evaluation of or justification for the rule or proposes not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

"Deloitte Consulting LLP Fee Analysis", February 15, 2005

"Maricopa County's Workload and Resource Needs Analysis for Accessing Permit Fees", February 3, 2003

Available for review by contacting:

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602-506-4057

8. **Showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.

9. **Summary of the economic, small business, and consumer impact:**

A. Rule Identification

This rulemaking amends Rule 280 Fees.

B. Background

In 2002, Maricopa County Environmental Services Department promulgated a rulemaking that revised the air quality permit fee structure and anticipated that these changes would provide adequate revenues to operate its air pollution program. A permit-fee rule is statutorily mandated providing for fees paid by sources to support the permit program development and implementation costs [A.R.S. § 49-480(D)(1) and (D)(2)]. The new fee structure was effective July 1, 2003. However, because revenues were lower than expected and a number of events occurred that will significantly increase costs in the near term the Department has concluded that fee increases are necessary to provide sufficient revenue to cover the costs of the air quality program and to maintain compliance with federal and state law.

The Workload and Resource Needs Analysis completed by Maricopa County in February 2003, estimated the costs associated with administering the air permit program (permitting, compliance, monitoring, and planning) to meet the 1990 CAA requirements to be approximately \$7.6 million. In fiscal year 2004, Maricopa County's air quality fee revenue was approximately \$5.8 million and U.S. EPA air quality grant was approximately \$1.0 million. Based on additional resource needs identified in the workload analysis, MCAQD estimates fiscal year 2006 air quality department expenditures (excluding Trip Reduction Program and Voluntary Vehicle Repair and Retrofit programs which are grant funded) to be approximately \$11.1 million. MCAQD estimates fiscal year 2006 revenues with proposed amendments to be \$11.1 million. The fiscal year 2006 revenue projections include \$9.4 million in fee revenue from proposed amendments, \$1.1 million in U.S. Environmental Protection Agency grant funding, and \$0.6 million in miscellaneous revenues.

C. Entities Directly Affected

An estimated 43% increase in fees for Title V, Non-Title V, and general permit sources, gasoline delivery vessels, permits to burn, dust control permits, and asbestos notification/plan reviews, is expected to directly impact the 9,237 sources permitted by MCAQD.

A 41% increase in annual administrative and emissions-based fees and fees for gasoline delivery vessels, permits to burn, earth moving permits, asbestos notification/plan reviews and a 54% increase in the permit-processing fees are expected to adequately fund MCAQD's air permit program for the near future. MCAQD expects an increase in revenues from these rule changes that will be sufficient to efficiently and effectively operate its air permit program.

Entities impacted include Title V (e.g., utilities, landfills, wood furniture manufactures, petroleum products terminal facilities, and others); Non-Title V (e.g. synthetic minors, stationary sources, and small sources) and general permit sources (e.g. dry cleaning, vehicle refinishing, printing facilities, gas stations, and others); gasoline delivery companies (gasoline delivery vessel fee); municipalities, farmers, and property owners (permit to burn fee); construction companies and home builders (dust control permit fee); asbestos removal contractors (asbestos notification and plan review fee).

D. Potential Costs and Benefits

Permit Processing Revenue

The amendments increase fees for billable permit actions from \$70.20/hour (the 2005 CPI-adjusted fee) to \$108.00/hour. This increase is approximately ten percent above the state permit processing fee of \$98.80/hour. General permits are not included because general permit processing fees are not based upon an hourly rate. Total projected revenue was calculated at an hourly rate of \$108.00. The number of permit actions were estimated based on fiscal year 2003-04 permit applications received. The data was obtained from the department's Environmental Management System. The department assumed that 90% of the estimated permit processing hours are billable for Title V and Non-Title V permits actions. Under the amendments, permit processing revenue of approximately \$1,482,572 would be generated from the fees for billable permit actions (\$1,064,709 and \$417,863, respectively for Title V and Non-Title V revenue). This represents an increase of approximately \$518,934 annually (\$372,648 and \$146,286, respectively for Title V and Non-Title V revenues). Tables 1-9 compare projected revenue for 2005 and 2006 based on existing and new permit processing fees for Title V and Non-Title V permit actions.

Table 1 compares Title V permit processing revenue with the 2005 CPI-adjusted fee (\$70.20 per hour) and the new fee (\$108.00 per hour) assuming 90% of the permit processing hours for Title V new permits, permit revisions, and permit renewals are billable.

Table 1 Comparison of Title V Permit Processing Revenue

Billable Permit Action	Number of Title V Permit Actions	Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with New Fee (\$108.00)	Projected Revenue Increase
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Minor Revision	16	896	\$62,864	\$96,714	\$33,850
New Permit	3	997	\$70,003	\$107,698	\$37,694
Non-Minor Revision	19	4,753	\$333,654	\$513,313	\$179,660
Renewal	10	3,213	\$225,540	\$346,985	\$121,445
Total	48	9,858	\$692,061	\$1,064,709	\$372,648

Tables 2 and 3 compare Non-Title V Table A and B permit processing revenue with the 2005 CPI-adjusted fee (\$70.20 per hour) and the new fee (\$108.00 per hour) assuming 90% of the permit processing hours for Non-Title V Table A and B new permits and permit revisions are billable.

Table 2 Comparison of Permit Processing Revenues for Non-Title V Table A Sources

Billable Permit Action	Number of Table A Permit Actions	Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with New Fee (\$108.00)	Projected Revenue Increase
Minor Revision	33	149	\$10,425	\$16,038	\$5,613
New Permit	6	648	\$45,490	\$69,984	\$24,494
Non-Minor Revision	2	61	\$4,296	\$6,610	\$2,313
Total	41	857.7	\$60,211	\$92,632	\$32,421

Table 3 Comparison of Permit Processing Revenue for Non-Title V Table B Sources

Billable Permit Action	Number of Table B Permit Actions	Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with New Fee (\$108.00)	Projected Revenue Increase
Minor Revision	24	108	\$7,582	\$11,664	\$4,082
New Permit	24	1,166	\$81,881	\$125,971	\$44,090
Non-Minor Revision	3	92	\$6,444	\$9,914	\$3,470
Total	51	1,366	\$95,907	\$147,550	\$51,642

The amendments require that Non-Title V source facilities listed in Table C, D, and E pay the permit processing fee for a billable permit action [except for the renewal of an existing permit] if the final cost of permit processing are greater than the \$200 application fee. Previously, Table C, D, and E sources were only required to pay the application fee from the table in subsection 302.1 (a) of the rule. Tables 4-6 compare the Non-Title V Table C, D, and E permit processing revenue with the existing application fee and the new fee (\$108.00 per hour) assuming 90% of the projected permit processing hours for new permits and permit revisions are billable.

Table 4 Comparison of Permit Processing Revenues for Non-Title V Table C Sources

Billable Permit Action	Number of Permit Actions	Table C Billable Permit Processing Hours	Existing Application Fee Contained in Table 302.1(a)	Projected Revenue from Existing Application Fee	Projected Revenue with New Fee (\$108.00)	Projected Revenue Increase
Minor Revision	13	59	\$150	\$1,950	\$6,318	\$4,368
New Permit	112	504	\$350	\$39,200	\$54,432	\$15,232
Non-Minor Revision	1	13	\$350	\$350	\$1,361	\$1,011
Total	126	575.1		\$41,500	\$62,111	\$20,611

Table 5 Comparison of Permit Processing Revenues for Non-Title V Table D Sources

Billable Permit Action	Number of Permit Actions	Table D Billable Permit Processing Hours	Existing Application Fee Contained in Table 302.1(a)	Projected Revenue from Existing Application Fee	Projected Revenue with New Fee (\$108.00)	Projected Revenue Increase
Minor Revision	1	5	\$150	\$150	\$486	\$336
New Permit	6	27	\$350	\$2,100	\$2,916	\$816
Non-Minor Revision	1	13	\$350	\$350	\$1,361	\$1,011
Total	8	44.1		\$2,600	\$4,763	\$2,163

Table 6 Comparison of Permit Processing Revenues for Non-Title V Table E Sources

Billable Permit Action	Number of Permit Actions	Table E Billable Permit Processing Hours	Existing Application Fee Contained in Table 302.1(a)	Projected Revenue from Existing Application Fee	Projected Revenue with New Fee (\$108.00)	Projected Revenue Increase
Minor Revision	1	5	\$150	\$150	\$486	\$336
New Permit	1	5	\$350	\$350	\$486	\$136
Non-Minor Revision	1	13	\$350	\$350	\$1,361	\$1,011
Total	3	21.6		\$850	\$2,333	\$1,483

The amendments establish two new Non-Title V fee table categories, Table F and G. Table F and G include sources previously contained in Table A and Table B. Tables 7 and 8 below compare the Non-Title V Table F and G permit processing revenue with the 2005 CPI-adjusted fee (\$70.20 per hour) and the new fee (\$108.00 per hour) assuming 90% of the projected permit processing hours for new permits and permit revisions are billable hours.

Table 7 Comparison of Permit Processing Revenues for Non-Title V Table E Sources

Billable Permit Action	Number of Permit Actions	Table F Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with New Fee (\$108.00)	Projected Revenue Increase
Minor Revision	8	36	\$2,527	\$3,888	\$1,361
New Permit	5	540	\$37,908	\$58,320	\$20,412
Non-Minor Revision	1	31	\$2,148	\$3,305	\$1,157
Total	14	606.6	\$42,583	\$65,513	\$22,929

Table 8 Comparison of Permit Processing Revenues for Non-Title V Table G Sources

Billable Permit Action	Number of Permit Actions	Table G Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with New Fee (\$108.00)	Projected Revenue Increase
Minor Revision	6	27	\$1,895	\$2,916	\$1,021
New Permit	7	340	\$23,882	\$36,742	\$12,860
Non-Minor Revision	1	31	\$2,148	\$3,305	\$1,157
Total	14	397.8	\$27,926	\$42,962	\$15,037

Table 9 compares permit processing revenue for all Non-Title V sources combined at the 2005 CPI-adjusted fee (\$70.20 per hour) and at the new fee (\$108.00 per hour) assuming 90% of the projected permit processing hours for new permits and permit revisions are billable hours.

Table 9 Summary of All Non-Title V Permit Processing Revenues

Billable Permit Action	Number of Permit Actions	Billable Permit Processing Hours	Projected Revenue with Existing Permit Processing Fee	Projected Revenue with New Permit Processing Fee (\$108.00)	Projected Revenue Increase
Minor Revision	86	387	\$24,679	\$41,796	\$17,117
New Permit	161	3230.1	\$230,811	\$348,851	\$118,040
Non-Minor Revision	10	252	\$16,087	\$27,216	\$11,129
Total	257	3,869	\$271,577	\$417,863	\$146,286

Annual Revenue

Under the amendments, Title V revenue of \$1,036,000 is projected to be generated from the new Title V annual fixed fee and annual emissions-based fee. The annual fixed fee increased substantially from existing levels, but not greater than ten percent more than the ADEQ Title V fixed fees. The annual emissions fee of \$13.24/ton is identical to the ADEQ annual emissions fee.

Table 10 shows the 49 Title V sources by source category, the existing 2005 CPI-adjusted Title V fees and estimated annual revenue. Table 11 shows the revenue estimates for the same 49 Title V sources using the new Title V annual administrative fee and annual emissions-based fee.

Comparing Table 10 and 11 indicates these same 49 sources would generate approximately \$521,761 more in annual revenue under the amended rule. This increase better reflects the actual cost attributable to Title V sources.

Table 10. 2005 CPI-Adjusted Annual Administrative and Emissions-Based Fees for Title V Permitted Sources*

Source Category	Number of Sources Per Category	2005 CPI-Adjusted Annual Administrative Fee (\$)	Annual Administrative Revenue	Annual Emissions Per Category (Tons)	2005 CPI-Adjusted Annual Emissions Fee Revenue @ \$12.49/ton	Annual Revenue Per Category
Aerospace	2	\$11,370	\$22,740	198.2	\$2,476	\$25,216
Compressor Station	1	\$9,250	\$9,250	0	\$0	\$9,250
EPS	2	\$9,780	\$19,560	273	\$3,410	\$22,970
Landfill	9	\$9,890	\$89,010	64.2	\$802	\$89,812
Petroleum Terminal	1	\$11,480	\$11,480	116.7	\$1,458	\$12,938
Polymeric Coating	1	\$10,100	\$10,100	54.6	\$682	\$10,782
Reinforced Plastics	6	\$5,210	\$31,260	229.6	\$2,868	\$34,128
Utility	10	\$11,910	\$119,100	3192.3	\$39,872	\$158,972
Wood	11	\$6,590	\$72,490	854.7	\$10,675	\$83,165
Others	6	\$10,520	\$63,120	311.3	\$3,888	\$67,008
Utility Turbine	30	\$0	\$0	0	\$0	\$0
Total	79		\$448,110	5294.6	\$66,130	\$514,240

*Note this table does not reflect permit processing costs.

Table 11. New Annual Administrative and Emissions-Based Fees for Title V Permitted Sources*

Source Category	Number of Sources Per Category	New Annual Administrative Fee (\$)	Annual Administrative Revenue	Annual Emissions Per Category (Tons)	New Annual Emissions Fee Revenue @ \$13.24/ton	Annual Revenue Per Category
Aerospace	2	\$13,580	\$27,160	198.2	\$2,624	\$29,784
Compressor Station	1	\$9,420	\$9,420	0.0	\$0	\$9,420
EPS	2	\$9,960	\$19,920	273.0	\$3,615	\$23,535
Landfill	9	\$11,800	\$106,200	64.2	\$850	\$107,050
Petroleum Terminal	1	\$17,480	\$17,480	116.7	\$1,545	\$19,025
Polymeric Coating	1	\$11,560	\$11,560	54.6	\$723	\$12,283
Reinforced Plastics	6	\$9,040	\$54,240	229.6	\$3,040	\$57,280
Utility	10	\$8,450	\$84,500	3192.3	\$42,266	\$126,766
Wood	11	\$9,820	\$108,020	854.7	\$11,316	\$119,336
Others	6	\$12,250	\$73,500	311.3	\$4,122	\$77,622
Utility Turbine	30	\$15,130	\$453,900	0.0	\$0	\$453,900

Total	79		\$965,900	5294.6	\$70,101	\$1,036,001
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*Note this table does not reflect permit processing costs.

In addition to these changes for Title V sources, annual administrative fees for Non-Title V and general permitted sources, and fees for burn permits, asbestos plan review and notifications, gasoline deliver vessels and earthmoving permits increase under the amendments to better reflect the share of costs directly related to these programs. Overall, Maricopa County expects annual revenue from Non-Title V and general permitted sources, burn permits, asbestos plan review and notifications, gasoline delivery vessels and earthmoving permits to increase from just under \$5.1 million to approximately \$6.84 million. Most of the categories of permits will be impacted by the increased fees; however, the permit fees for Table E individual permits and Table E general permit will decrease slightly.

Table 12 reflects the annual revenue from Non-Title V and general permitted sources under the amendments. The Non-Title V source must pay an annual administrative fee which includes a portion of the permit processing fee for permit renewal. For a source that is covered under a general permit, the fee structure is based on fixed amounts for obtaining an authorization to operate and an annual administrative fee. The Non-Title V and general permit annual fees include 1/5 of permit processing fee for permit renewal as well as the annual costs for inspection, emission inventory, and regulatory activities. The structure allows the Non-Title V source to pay approximately the same fee each year and avoid the second fee due every 5 years at permit renewal. For the number of permit renewal actions, the department assumed 1/5 of the existing permits would be renewed per year.

Table 12. Comparison of Annual Administrative Revenue for Non-Title V and General Permitted Sources

Source Category	Number of Sources	Existing Annual Administrative Fee	Projected Revenue from Existing Annual Admin. Fee	New Annual Administrative Fee	Projected Revenue from New Annual Admin. Fee	Projected Revenue Increase
Table A	152	\$3,300	\$501,600	\$5,880	\$893,760	\$392,160
Table B	351	\$1,380	\$484,380	\$1,660	\$582,660	\$98,280
Table C-D	839	\$380	\$318,820	\$520	\$436,280	\$117,460
Table E	86	\$380	\$32,680	\$370	\$31,820	(\$860)
Table F	42	\$3,300	\$138,600	\$7,380	\$309,960	\$171,360
Table G	65	\$1,380	\$89,700	\$4,780	\$310,700	\$221,000
General Permit Table A	0	\$0	\$0	\$3,580	\$0	\$0
General Permit Table B	0	\$0	\$0	\$1,190	\$0	\$0
General Permit Table C	497	\$320	\$159,040	\$380	\$188,860	\$29,820
General Permit Table D	1,246	\$360	\$448,560	\$380	\$473,480	\$24,920
General Permit Table E	348	\$310	\$107,880	\$290	\$100,920	(\$6,960)

Total	3,626		2,281,260		3,328,440	1,047,180
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Table 13 shows the annual revenue estimates for burn permits, asbestos plan review and notification, and gasoline delivery vessel fees.

Table 13. Comparison of Fees for Burn Permits, Asbestos, and Tank Trucks

Source Category	Number of Permits	Existing Fee	Projected Revenue from Existing Fee	New Fee	Projected Revenue from New Fee	Projected Revenue Increase
Burn Permit Tumbleweeds	7	\$50	\$350	\$100	\$700	\$350
Burn Permit Fire Hazard	1	\$50	\$50	\$100	\$100	\$50
Burn Permit Fire Fighting Instruction	9	\$50	\$450	\$100	\$900	\$450
Burn Permit Ditch Bank/Fence Row	78	\$50	\$3,900	\$100	\$7,800	\$3,900
Burn Permit Disease/Pest prevention	1	\$62	\$62	\$100	\$100	\$38
Burn Permit Land Clearance (< 5 acres)	30	\$74	\$2,220	\$150	\$4,500	\$2,280
Burn Permit Land Clearance (>= 5 acres)	3	\$144	\$432	\$350	\$1,050	\$618
Burn Permit Land Clearance (Air Curtain Destructor 30 days)	1	\$249	\$249	\$350	\$350	\$101
Asbestos	550	\$425	\$233,750	\$1,060	\$583,000	\$349,250
Tank Trucks	721	\$115	\$82,915	\$280	\$201,880	\$118,965
Total	1,401		\$324,378		\$800,380	\$476,002

Finally, Table 14 shows the annual revenue estimates from dust control permits.

Table 14. Existing and New Proposed Fees for Dust Control Permits

Source Category	Number of Permits	Acreage	Existing Flat Fee Per Permit	Existing Per Acre Fee	Projected Revenue from Existing Fees	New Flat Fee	New Per Acre Fee	Projected Revenue from New Fees	Projected Revenue Increase
Annual Block Permit	28	0	\$2,000	\$0	\$56,000	\$2,000	\$0	\$56,000	\$0
Dust Control Permit (0.1<1.0 acres)	1637	942.6	\$75	\$0	\$122,775	\$150	\$0	\$245,550	\$122,775

Dust Control Permit (1.0 to 10 acres)	1468	5520.6	\$110	\$36	\$360,223	\$150	\$36	\$418,943	\$58,720
Dust Control Permit (> 10 acres)	1016	50772.8	\$110	\$36	\$1,939,580	\$150	\$36	\$1,980,220	\$40,640
Total	4,149	57236.1			\$2,478,578			\$2,700,713	\$222,135

Summary

In summary, MCAQD estimates in fiscal year 2006 air quality department expenditures (excluding Trip Reduction and Voluntary Vehicle Repair and Retrofit programs which are grant funded) to be approximately \$11.1 million. MCAQD estimates fiscal year 2006 revenues with amendments to be \$11.1 million. The fiscal year 2006 revenue projections include \$9.4 million in fee revenue from fee amendments, \$1.1 million in U.S. Environmental Protection Agency grant funding, and \$0.6 million in miscellaneous revenues. MCAQD expects an increase in revenues from these rule amendments will be sufficient to efficiently and effectively operate its air permit program.

Table 15 summarizes the fiscal year 2006 fee revenue projections with the amendments.

Table 15. Fiscal Year 2006 Fee Revenue Projections

Permit Processing Fees	Estimated Revenue with Existing Fees	Estimated Revenue with New Fees	Projected Revenue Increase
Title V	\$692,061	\$1,064,709	\$372,648
Non-Title V Table A	\$60,211	\$92,632	\$32,421
Non-Title V Table B	\$95,907	\$147,550	\$51,642
Non-Title V Table C	\$41,500	\$62,111	\$20,611
Non-Title V Table D	\$2,600	\$4,763	\$2,163
Non-Title V Table E	\$850	\$2,333	\$1,483
Non-Title V Table F	\$42,583	\$65,513	\$22,929
Non-Title V Table G	\$27,926	\$42,962	\$15,037
Non-Title V Subtotal	\$271,577	\$417,863	\$146,286
Permit Processing Subtotal	\$963,638	\$1,482,572	\$518,934
<u>Annual Fees</u>			
Title V Administrative Fee	\$448,110	\$965,900	\$517,790
Title V Emission Based Fee	\$66,130	\$70,101	\$3,971
Title V Subtotal	\$514,240	\$1,036,001	\$521,761
Non-Title V Table A	\$501,600	\$893,760	\$392,160
Non-Title V Table B	\$484,380	\$582,660	\$98,280
Non-Title V Table C-D	\$318,820	\$436,280	\$117,460
Non-Title V Table E	\$32,680	\$31,820	(\$860)

Non-Title V Table F	\$138,600	\$309,960	\$171,360
Non-Title V Table G	\$89,700	\$310,700	\$221,000
General Permit Table A	\$0	\$0	\$0
General Permit Table B	\$0	\$0	\$0
General Permit Table C	\$159,040	\$188,860	\$29,820
General Permit Table D	\$448,560	\$473,480	\$24,920
General Permit Table E	\$107,880	\$100,920	(\$6,960)
Non-Title V and General Permit Subtotal	\$2,281,260	\$3,328,440	\$1,047,180
Burn Permit Tumbleweeds	\$350	\$700	\$350
Burn Permit Fire Hazard	\$50	\$100	\$50
Burn Permit Fire Fighting Instruction	\$450	\$900	\$450
Burn Permit Ditch Bank/Fence Row	\$3,900	\$7,800	\$3,900
Burn Permit Disease/Pest prevention	\$62	\$100	\$38
Burn Permit Land Clearance (< 5 acres)	\$2,220	\$4,500	\$2,280
Burn Permit Land Clearance (>= 5 acres)	\$432	\$1,050	\$618
Burn Permit Land Clearance (Air Curtain Destructor 30 days)	\$249	\$350	\$101
Asbestos	\$233,750	\$583,000	\$349,250
Tank Trucks	\$82,915	\$201,880	\$118,965
Burn Permit, Asbestos, Tank Truck Subtotal	\$324,378	\$800,380	\$476,002
Annual Block Permit	\$56,000	\$56,000	\$0
Dust Control Permit (parcels 0.1<1.0 acres)	\$122,775	\$245,550	\$122,775
Dust Control Permit (parcels 1.0 to 10 acres)	\$360,222	\$418,942	\$58,720
Dust Control Permit (> 10 acres)	\$1,939,581	\$1,980,221	\$40,640
Dust Control Subtotal	\$2,478,577	\$2,700,713	\$222,135
Annual Fee Subtotal	\$5,598,455	\$7,865,533	\$2,267,078
Grand Total	\$6,562,093	\$9,348,105	\$2,786,012

Small Business Impact

MCAQD has considered a variety of methods to reduce the impact of this rule on small businesses, as prescribed in A.R.S. § 41-1035. These methods include: establishing less stringent compliance or reporting requirements, establishing less stringent schedules and deadlines for compliance or reporting requirements, consolidating or simplifying the rulemaking's reporting requirements, establishing performance requirements to replace design or operational standards, and exempting small businesses from some or all of the rule requirements. The statutory directive that permit fees must be related to costs prohibits MCAQD from

implementing almost any of these methods for determining fees for small businesses. As a result, permit fees are based on regulatory costs rather than size of the source.

Two possible exceptions have already been implemented. As evident in Rule 230 (General Permits), authority to operate under general permits is available at a somewhat reduced cost when compared to individual permits. General permits tend to be used by smaller sources. In addition, no source under a general permit is subject to the permit-processing fee. The Department reduced the inspection frequency for Non-Title V sources in 2003 and is not proposing to increase frequency in this action. Most small sources fall into Non-Title V categories that will not be subject to increased inspection frequency.

10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):

In Rule 280, Section 310, the "Temporary Special Event Permit" and the applicable fee "\$620" have been deleted. The department removed the temporary special event permit fee from Rule 280 in response to a comment received pertaining to another rulemaking that is germane to this rulemaking. The temporary special event permit fee was removed from Rule 280 because the definition of a temporary special event and the applicable permit thresholds has yet to be defined in Rule 200. The department intends to continue to research, define, and eventually establish a dust control permit for temporary special events.

11. A summary of the comments made regarding the rule and the agency response to them:

A responsiveness summary will be prepared following the oral proceeding on May 2, 2005, and posted on the Department website at <http://www.maricopa.gov/aq/RULES/workshops.asp> prior to the May 18, 2005, Maricopa County Board of Supervisors public hearing.

12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

13. Incorporations by reference and their location in the rules:

40 CFR 60, Appendix F	Rule 280, Section 305.1(a)(1)
40 CFR 75, and all accompanying appendices	Rule 280, Section 305.1(a)(1)

14. Was this rule previously made as an emergency rule?

No

15. The full text of the rule follows:

REGULATION II - PERMITS AND FEES

RULE 280 FEES

INDEX

SECTION 100 - GENERAL

- 101 PURPOSE
- 102 APPLICABILITY

SECTION 200 - DEFINITIONS

- 201 ADMINISTRATIVE FEE
- 202 BILLABLE PERMIT ACTION
- 203 EXISTING SOURCE
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SECTION 300 - STANDARDS

- 301 TITLE V PERMIT FEES
- 302 NON-TITLE V PERMIT FEES
- 303 GENERAL PERMIT FEES
- 304 ANNUAL ADJUSTMENT OF FEES
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- 306 HEARING BOARD FILING FEE
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- 309 PERMIT TO BURN FEE
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SECTION 400 - ADMINISTRATIVE REQUIREMENTS

401 TRANSITION TO REVISED FEES

402 PAYMENT OF FEES

403 TABLE A, TABLE B, TABLE C, TABLE D, ~~AND~~ TABLE E, TABLE F, AND TABLE G
SOURCES

SECTION 500 - MONITORING AND RECORDS (NOT APPLICABLE)

Revised 07/13/88
Revised 08/05/91
Revised 11/15/93
Revised 08/19/98
Revised 03/15/00
Revised 05/21/03
Revised 04/07/04

**MARICOPA COUNTY
AIR POLLUTION CONTROL REGULATIONS**

REGULATION II - PERMITS AND FEES

**RULE 280
FEES**

SECTION 100 - GENERAL

- 101 PURPOSE:** To establish fees to be charged to owners and operators of sources of air pollution subject to these rules.
- 102 APPLICABILITY:** Every person owning/operating equipment or engaged in activities that may cause or contribute to air pollution is subject to the prescribed fees in this rule.

SECTION 200 - DEFINITIONS: For the purpose of this rule, the following definitions shall apply:

- 201 ANNUAL ADMINISTRATIVE FEE** – Paid annually by a source to recover the average cost of services required to administer the permit and conduct inspections.
- 202 BILLABLE PERMIT ACTION** - The review, issuance or denial of a new permit, significant permit revision, or minor permit revision, or the renewal of an existing permit.
- 203 EXISTING SOURCE** - A source that has commenced construction and has been issued a permit pursuant to ARS §49-480 after September 1, 1993.
- 204 ITEMIZED INVOICE** - A breakdown of the permit processing time into the categories of pre-application activities, completeness review, substantive (technical) review, and public involvement activities, and within each category, a further breakdown by employee name.
- 205 NON-MAJOR TITLE V SOURCE** – A source required to obtain a Non-Title V permit under Rule 200 to which both of the following apply:

205.1 The source is classified as a Synthetic Minor Source, and

205.2 The source has a permit that contains allowable emissions greater than or equal to 50% of the major source threshold.

206 **REGULATED AIR POLLUTANT** - For the purposes of Section 305, consists of the following air pollutants:

206.1 Any conventional air pollutant as defined in ARS §49-401.01, which means any pollutant for which the Administrator of EPA has promulgated a primary or a secondary national ambient air quality standard (NAAQS) except carbon monoxide (i.e., for nitrogen oxides (NO_x), lead, sulfur oxides (SO_x) measured as sulfur dioxides (SO₂), ozone, and particulates).

206.2 Nitrogen oxides (NO_x) and volatile organic compounds (VOCs).

206.3 Any air contaminant that is subject to a standard contained in Rule 360 (New Source Performance Standards) of these rules or promulgated under Section 111 (Standards Of Performance For New Stationary Sources) of the Act.

206.4 Any hazardous air pollutant (HAP) as defined in ARS §49-401.01 or listed in Section 112(b) (Hazardous Air Pollutants; List Of Pollutants) of the Act.

206.5 Any Class I or II substance listed in Section 602 (Stratospheric Ozone Protection; Listing Of Class I And Class II Substances) of the Act.

207 **SOURCES REQUIRED TO HAVE A TITLE V PERMIT** - The following sources shall be considered sources required to have a Title V permit:

207.1 Any source required to have a Title V permit under Rule 200, Section 302;

207.2 Any source that qualifies for a Non-Title V permit but that elects to have a Title V permit under Rule 200, Section 302.

SECTION 300 - STANDARDS

301 TITLE V PERMIT FEES: The owner or operator of a source required to have a Title V permit shall pay fees according to the following provisions:

301.1 Fees for Billable Permit Actions: The owner or operator of a Title V source shall pay ~~\$66.00~~ \$108.00 per hour, adjusted annually under Section 304, for all permit processing time required for a billable permit action. The fee shall be paid as follows:

- a. An application shall be submitted with the applicable fee from the table below:

Type of Application	Application Fee
New permit application	\$7,000
Significant permit revision application that is a result of a major modification	\$7,000
Other significant permit revision applications	\$1,000
Minor permit revision application	\$150
Permit renewal application	\$3,500

- b. At any time after submittal of the application, the Control Officer may request additional application fees based on the cost to date of reviewing and acting on the application, minus all fees previously submitted for the application.
- c. When permit processing is completed for a facility, the Control Officer shall send an itemized invoice. The invoice shall indicate the total actual cost of reviewing and acting upon the application, all fees previously submitted, and the balance due.
- d. The maximum fee for processing permit applications listed in subsection 301.1 is \$40,000.00.
- e. The Control Officer shall not issue a permit or permit revision until the balance due on the itemized invoice is paid in full.

301.2 Annual Fees: The owner or operator of a Title V source shall pay an annual administrative fee plus an emissions-based fee as follows:

- a. The applicable annual administrative fee from the table below, as adjusted annually under Section 304. The fee is due on the first anniversary date of the initial permit covering construction and startup of operations and annually thereafter on that date.

Title V Source Category	Annual Administrative Fee
Aerospace	\$10,700 <u>\$13,580</u>
Cement Plants	\$39,500 <u>\$44,520</u>
Combustion/Boilers	\$9,200 <u>\$10,820</u>
Compressor Stations	\$8,700 <u>\$9,420</u>
Expandable Foam	\$9,200 <u>\$9,960</u>
Landfills	\$9,300 <u>\$11,800</u>
Lime Plants	\$37,000 <u>\$41,700</u>
Copper & Nickel Mines	\$9,300 <u>\$10,480</u>
Gold Mines	\$9,300 <u>\$10,480</u>
Paper Mills	\$12,700 <u>\$14,310</u>
Petroleum Products Terminal Facilities	\$10,800 <u>\$17,480</u>
Polymeric Fabric Coaters	\$9,500 <u>\$11,560</u>
Reinforced Plastics	\$4,900 <u>\$9,040</u>
Semiconductor Fabrication	\$10,800 <u>\$18,830</u>
Copper Smelters	\$39,500 <u>\$44,520</u>
Utilities – Primary Fuel Natural Gas	\$11,200 <u>\$8,450 + \$15,130 per turbine installed/modified after May 10, 1996 and subject to annual source testing or CEM RATA* certifications</u>
Utilities - Fossil Fuel Except Natural Gas	\$20,200 <u>\$22,760</u>
Vitamin/Pharmaceutical Manufacturing	\$6,200 <u>\$11,050</u>
Wood Furniture	\$6,200 <u>\$9,820</u>
Others	\$9,900 <u>\$12,250</u>
Others with Continuous Emissions Monitoring	\$12,700 <u>\$14,320</u>

*Continuous emissions monitoring relative accuracy test audit (CEM RATA)

- b. An emissions-based fee of ~~\$11.75~~ \$13.24 per ton of actual emissions of all regulated pollutants emitted during the previous calendar year as determined by Section 305. The fee is adjusted annually under Section 304.

302 NON-TITLE V PERMIT FEES: The owner or operator of a source required to have a Non-Title V permit under Rule 200, Section 303 shall pay fees according to the following provisions:

302.1 Fees for Billable Permit Actions: Except for the renewal of an existing permit, the owner or operator of a Non-Title V source ~~listed in Table A (subsection 403.1) or Table B (subsection 403.2)~~ shall pay to the Control Officer ~~\$66.00~~ \$108.00 per hour, adjusted annually under Section 304 of this rule, for all permit processing time required for a billable permit action. The minimum fee due shall be \$200.00. ~~The owner or operator of a Non-Title V source facility listed in Table C, D, or E (subsection 403.3-5) shall pay the applicable fees from the table in subsection 302.1(a) below for a billable permit action.~~ The fee shall be paid as follows:

- a. An application shall be submitted with ~~the applicable~~ an application fee ~~from the table below:~~ of \$200.00.

Type of Application	Application Fee
New permit application	\$350
Non-minor permit revision application	\$350
Minor permit revision application	\$150
Permit renewal application	Not required

- b. At any time after the submittal of an application ~~for a facility listed in Table A or Table B,~~ the Control Officer may request an additional application fee based on the cost to date of reviewing and acting on the application, minus all fees previously submitted for the application.
- c. When permit processing is completed ~~for a facility listed in Table A and Table B~~ and final costs are greater than the fee submitted with the application under subsection 302.1(a), the Control Officer shall send an itemized invoice. The invoice shall indicate the total cost of reviewing and acting upon the application, all fees previously submitted, and the balance due.
- d. The maximum fee for processing permit applications listed in subsection 302.1 is \$25,000.00.

- e. The Control Officer shall not issue a permit or permit revision until the balance due on the itemized invoice is paid in full.

302.2 Annual Fees: The owner or operator of an existing Non-Title V source shall pay the applicable annual administrative fee from the table below, as adjusted annually under Section 304. The annual administrative fee covers the cost of renewing a Non-Title V permit. The fee is due on the first anniversary date of the initial permit covering construction and startup of operations and annually thereafter on that date. Source categories designated as Tables A-G are listed in subsections 403.1-7.

Non-Title V Source Type	Annual Administrative Fee
Source listed in Table A	\$3,100 <u>\$5,880</u>
Source listed in Table B	\$1,300 <u>\$1,660</u>
Source listed in Tables C – E	\$360
<u>Source listed in Table C – D</u>	<u>\$520</u>
<u>Source listed in Table E</u>	<u>\$370</u>
Source listed in Table F	<u>\$7,380</u>
<u>Source listed in Table G</u>	<u>\$4,780</u>

303 GENERAL PERMIT FEES: The owner or operator of a source required to obtain a permit pursuant to these rules who elects to be covered by a general permit shall pay fees according to the following provisions:

303.1 Fees Due with an Application: The owner or operator of a source initially applying for authorization to operate under a General Permit shall pay the applicable fee from the table below with the submittal of the application. Source categories designated as Tables ~~A-E~~ A-G are listed in subsections ~~403.1-5~~ 403.1-7 of this rule.

Source Category Table	Application Fee
Title V General Permits	Administrative Fee from <u>Section 301.2.a</u> Title V table for <u>Title V source category</u>
Table A	\$ 3,000 <u>\$3,580</u>
Table B	\$1,000 <u>\$1,190</u>
Table C - <u>D</u>	\$300 <u>\$380</u>
Table D	\$335
Table E	\$290 <u>\$290</u>

<u>Table F</u>	<u>\$6,200</u>
<u>Table G</u>	<u>\$4,030</u>

303.2 Annual Fee: The owner or operator of a source with an authorization to operate under a General Permit shall pay the applicable annual administrative fee from the table below, as adjusted annually under Section 304. The annual administrative fee covers the cost of reapplying for authorization to operate under a General Permit. The fee is due on the first anniversary date of the initial approval to operate under a General Permit and annually thereafter on that date. Source categories designated as Tables A-E are listed in subsections 403.1-5

Source Category Table	Administrative & Permit Renewal Fee
Title V General Permits	Administrative Fee from <u>Section 301.2a</u> Title V table for <u>Title V</u> source category
Table A	\$3,000 <u>\$3,580</u>
Table B	\$1,000 <u>\$1,190</u>
Table C - <u>D</u>	\$300 <u>\$380</u>
Table D	\$335
Table E	\$290 <u>\$290</u>
<u>Table F</u>	<u>\$6,200</u>
<u>Table G</u>	<u>\$4,030</u>

304 ANNUAL ADJUSTMENT OF FEES:

304.1 The Control Officer shall adjust the hourly rate every January 1, to the nearest 10 cents per hour, beginning on January 1, ~~2004~~ 2006. The Control Officer will multiply ~~\$66.00~~ \$108.00 by the Consumer Price Index (CPI) for the most recent year as described in subsection 304.4, and then divide by the CPI for the year ~~2004~~ 2006.

304.2 The Control Officer shall adjust the administrative or permit processing fees listed in Sections 301-303 every January 1, to the nearest \$10, beginning on January 1, ~~2004~~ 2006. The Control Officer will multiply the administrative or permit processing fee by the Consumer Price Index (CPI) for the most recent year as described in subsection 304.4, and then divide by the CPI for the year ~~2004~~ 2006.

304.3 The Control Officer shall adjust the rate for emission-based fees every January 1, beginning on January 1, ~~2004~~ 2006. The Control Officer will multiply ~~\$11.75~~ \$13.24 by

the Consumer Price Index (CPI) for the most recent year as described in subsection 304.4, and then divide by the CPI for the year ~~2001~~ 2004.

304.4 The Consumer Price Index for any year is the average of the monthly Consumer Price Index for all urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of that year.

305 CALCULATION AND PAYMENT OF EMISSION FEES:

305.1 For purposes of this subsection, actual emissions means the actual quantity of regulated air pollutants emitted over the preceding calendar year or any other period determined by the Control Officer to be representative of normal source operations, determined as follows:

a. Emissions quantities, including fugitive emissions, reported under Rule 100, Section 500 shall be used for purposes of calculating the permit fee to the extent they are calculated in a manner consistent with this paragraph. Acceptable methods for calculating actual emissions under Rule 100, Section 500 include the following:

(1) Emissions estimates calculated from continuous emissions monitors certified under 40 CFR Part 75, Subpart C and referenced appendices, or data quality assured pursuant to Appendix F of 40 CFR, Part 60. 40 CFR Part 75 and referenced appendices and 40 CFR Part 60 Appendix F adopted as of July 1, 2001, (and no future additions) are incorporated by reference.

(2) Emissions estimates calculated from source performance test data.

(3) Emissions estimates calculated from material balance using engineering knowledge of process.

(4) Emissions estimates calculated using AP-42 emissions factors.

(5) Emissions estimates calculated by equivalent methods approved by the Control Officer. The Control Officer shall only approve methods that are demonstrated as accurate and reliable as the applicable method in items (1) through (4) of this paragraph.

- b. Actual emissions shall be determined for each source on the basis of actual operating hours, production rates, in-place process control equipment, operational process control data, and types of materials processed, stored, or combusted.

305.2 The following emissions of regulated air pollutants shall be excluded from a source's actual emissions for purposes of this section:

- a. Emissions of a regulated air pollutant from the source in excess of 4,000 tons per year.
- b. Emissions of any regulated air pollutant that are already included in the fee calculation for the source, such as a federally listed hazardous air pollutant that is already accounted for as a VOC or as PM₁₀.
- c. Emissions from insignificant activities excluded from the permit for the source under Rule 210.
- d. Fugitive emissions of PM₁₀ from activities other than crushing, belt transfers, screening, or stacking.
- e. Fugitive emissions of VOC from solution-extraction units.

305.3 A notice to pay the fee specified in subsection 301.2.b. and a declaration of emissions form will be mailed annually to the owner or operator of a source to which this subsection applies, along with the annual emission inventory questionnaire. The emission fee is due and payable by April 30 each year or by the ninetieth (90th) day following the date of notice, whichever is later.

306 HEARING BOARD FILING FEE: A person filing a petition with the Hearing Board shall pay a fee of \$100.00. This fee may be refunded by a majority vote of the Hearing Board upon a showing of undue hardship.

307 CONDITIONAL ORDER FEE: Any person applying for a conditional order pursuant to Rule 120 shall pay a conditional order fee. The amount of a conditional order fee shall be equal to the amount of the applicable permit fee as specified in this rule.

308 GASOLINE DELIVERY VESSEL FEE: A person wishing to obtain a decal for each gasoline delivery vessel that passes the required annual test under Rule 352 shall pay a fee of ~~\$115.00~~ \$280.00.

- 309 PERMIT TO BURN FEE:** A person applying for a Permit to Burn shall pay a fee as set forth in the following fee schedule:

Fire Category	Permit Period	Fee
Tumbleweeds	30 days	\$ 50.00 <u>\$100.00</u>
Fire Hazard	30 days	\$ 50.00 <u>\$100.00</u>
Fire Fighting Instruction	1 year	\$ 50.00 <u>\$100.00</u>
Ditch Bank/Fence Row	1 year	\$ 50.00 <u>\$100.00</u>
Disease/Pest Prevention	30 days	\$ 62.00 <u>\$100.00</u>
Land Clearance	30 days	
Less than 5.0 acres		\$ 74.00 <u>\$150.00</u>
5.0 acres or greater		\$144.00 <u>\$350.00</u>
Air Curtain Destructor	30 days	\$ 249.00 <u>\$350.00</u>

- 310 ~~EARTH MOVING PERMIT~~ DUST CONTROL PERMIT FEE:** A person applying for ~~an Earth Moving Permit~~ a Dust Control Permit shall pay an annual fee as set forth in the following fee schedule, based on the total surface area that is disturbed:

Total Surface Area Disturbed	Fee
Annual Block Permit	\$2000.00
0.1 to less than one acre	\$75.00 <u>\$150.00</u>
One acre or greater	\$36.00 per acre plus \$140.00 <u>\$150.00</u>
Example: 6 acres = 6 x \$36.00 + \$140 <u>\$150.00</u> = \$326 <u>\$366</u>	

- 311 ASBESTOS NOTIFICATION AND PLAN REVIEW FILING FEE:** Any person required to file notification under the provisions of Rule 370 of these rules shall pay a fee as follows:

311.1 Any person filing notification of a project to renovate regulated asbestos-containing materials shall pay a nonrefundable notification and plan review filing fee of ~~\$425.00~~ \$1,060.00.

311.2 Any person filing notification of a project to demolish a facility (as defined in 40 CFR 61, Subpart M) shall pay a nonrefundable notification and plan review filing fee of ~~\$425.00~~ \$1060.00.

- 312 LATE FEE:** The Control Officer shall assess the following fees in addition to all other applicable fees:

- 312.1 TITLE V, NON-TITLE V OR GENERAL PERMIT:** ~~An applicant for a required permit for a source that has been constructed without such permit and who has received a Notice of Violation shall pay a late fee of \$70.00.~~ An applicant for a required permit who has received a Notice of Violation for constructing without such permit or for failing to file a timely application to renew such permit shall pay a late fee of \$100.00.
- 312.2 ~~EARTH MOVING PERMIT~~ DUST CONTROL PERMIT:** Any person who is ~~conducting earth moving activity~~ engaging in dust generating operations without ~~an Earth Moving a Dust Control~~ Permit and has received a Notice of Violation for ~~operating the earth moving equipment~~ engaging in a dust generating operations without ~~an Earth Moving a Dust Control~~ Permit shall pay a late fee of ~~\$70.00~~ \$100.00.
- 313 DELINQUENCY FEE:** An applicant or permittee who fails to pay any required fee(s) by 30 days after invoice due date shall pay a delinquency fee of ~~\$35.00~~ \$50.00 or a delinquency fee of ~~\$70.00~~ \$100.00 if delinquent over 60 days from the invoice due date. Applicants and permittees will be notified by mail of any permit delinquency fees that are due and payable.
- 314 SUBSCRIPTION FEE FOR RULE REVISIONS:** A person requesting to be placed on a mailing list to receive copies of new and revised rules shall pay to the Control Officer an annual subscription fee of \$35.00.
- 315 ACCELERATED PERMIT PROCESSING:** An applicant requesting accelerated permit processing shall pay fees to the Control Officer according to the following provisions:
- 315.1** Such a request shall be accompanied by an initial fee of \$15,000. The fee is nonrefundable to the extent of the Control Officer's costs for accelerating the processing if the Control Officer undertakes to provide accelerated processing as described in Rule 200, Section 313 of these rules.
- 315.2** At any time after an applicant has requested accelerated permit processing, the Control Officer may request an additional advance payment fee based on the most recent estimated cost of accelerating the processing of the application.
- 315.3** Upon completion of permit processing activities but before issuing or denying a permit or permit revision, the Control Officer shall send notice of the decision to the applicant along with a final invoice. The final invoice shall include all regular permit processing and other

fees due, as well as the difference between the actual cost of accelerating the permit application, including any costs incurred by the Control Officer in contracting for, hiring, or supervising the work of outside consultants, and all advance payments submitted for accelerated processing. In the event all payments made exceed actual accelerated permit costs, the Control Officer shall refund the excess advance payments.

315.4 Any additional costs incurred as a result of accelerated permit processing shall not be applied toward any applicable maximum fee described in this rule.

316 FAILURE TO PAY REQUIRED FEES: Nonpayment of fees required by this rule constitutes a violation as provided in ARS 49-502, 49-511 and 49-513.

SECTION 400 - ADMINISTRATIVE REQUIREMENTS

401 TRANSITION TO REVISED FEES: The revised fees, except for the emissions fee, in this rule shall become effective July 1, ~~2003~~ 2005. The revised emissions fee shall become effective January 1, ~~2004~~ 2006, beginning with the emissions reported for calendar year ~~2003~~ 2005.

402 PAYMENT OF FEES: All fees required by this rule shall be payable to Maricopa County ~~Environmental Services~~ Air Quality Department.

402.1 Annual Administrative Fees:

a. Title V and Non-Title V Permits: The Control Officer shall mail the owner or operator of a Title V or Non-Title V source an invoice for the annual administrative fee due under subsections 301, 302, and 303 at least 30 days prior to the anniversary date of the permit.

b. General Permits: The Control Officer shall mail the owner or operator of source authorized to operate under a General Permit an invoice for the annual administrative fee due under subsection 303 at least 30 days prior to the anniversary date of the authorization to operate.

402.2 Gasoline Delivery Vessel Decal Fee: Gasoline delivery vessel decal fee shall be paid at the time the application is submitted showing satisfactory test results prior to the issuance of the sticker required in the provisions of Rule 352.

402.3 Asbestos Removal Notification and Plan Review Fee: The asbestos removal notification and plan review filing fee shall be paid at the time the notification is submitted. The notification is not considered filed until the appropriate filing fee is paid.

402.4 Other Fees: Other fees shall be paid in the manner and at the time required by the Control Officer.

403 TABLE A, TABLE B, TABLE C, TABLE D, ~~AND~~ TABLE E, TABLE F, AND TABLE G
SOURCES: For processes and equipment not listed below, the Control Officer will designate either Table A, Table B, Table C, Table D, ~~or~~ Table E, Table F, or Table G applicability. Sources reclassified to a higher fee category due to the receipt of 3 complaints on different dates during a one year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action shall remain in that classification until two calendar years pass without complaints against the facility resulting in violations resolved by an order of abatement by consent or judicial action.

403.1 Table A Sources:

Aircraft Manufacturing

Chemical Manufacturing, Dry

Chemical Manufacturing, Liquid

Circuit Board Manufacturing ≥ 5 Tons per Year VOC

Coating Line, Can/Coil/Fabric/Film/Glass/Paper

Ethylene Oxide Sterilization

Gypsum, Calcining

~~Hot Mix Asphalt Plant~~

Incinerator, Medical Waste

Incinerator, Hazardous Material

Insulation Manufacturing

Jet Engine Manufacturing

Non-Major Title V Source

Pesticide/Herbicide Production

Petroleum Loading Racks and Storage Tanks at Bulk Terminals

Pharmaceutical Manufacturing

Polymeric Foam Products ≥ 25 Tons per Year Potential Uncontrolled VOC Emissions or
Facility with Controls

Printing Facilities ≥ 25 Tons per Year Potential Uncontrolled VOC Emissions or Facility
with Controls

Rendering

Rubber Products Manufacturing
 Semiconductor Manufacturing without VOC Control and < 25 Tons per Year of Potential
 Uncontrolled VOC Emissions
 Solid Waste Landfill
 Source Subject to BACT Determination
 Source Subject to a MACT, NESHAPS or NSPS standard under CAA Section 111 or 112
 unless otherwise identified in another table
 Source with 3 or more Table B Processes
~~Tennis Ball Manufacturing~~
 Vegetable Oil Extraction

403.2 Table B Sources:

Aerospace Products Manufacturing & Rework not subject to MACT
~~Aggregate Production/Crushing, All~~
 Aggregate Screening
 Animal Feed Processing
 Auto Body Shredding
 Bakery with Oven of 25 Tons per year of Potential Uncontrolled VOC emissions or
 facility with controls
Boiler, gas fired, with ≥ 10 MMbtu/hr (includes units subject to the NSPS)
 Chemical/Fertilizer Storage, Mixing, Packaging and Handling
~~Concrete Batching~~
 Concrete Product Manufacturing
 Cotton Gin
 Cotton Seed Processing
 Crematory
 Cultured Marble
 Fiberglass Product Manufacturing
 Flour Milling
 Foundry
 Furnace, Metals
 Furnace, Burn-Off
 Furnace, Electric Arc
 Furnace, Other
 Gas Turbine, Non-Utility (Utility in Table A)
 Grain Cleaning/Processing
 Grain Storage
 Incinerator, Non-Hazardous Material

Internal Combustion Engine, ~~Cogeneration~~ Cogeneration other than Emergency
Pipeline Transmission Facility
Plating Tanks, Electrolytic or Electrowinning (includes decorative chrome and hard chrome operations 60 million amp/hrs per year subject to MACT)
Polymeric Foam Products without control and < 25 Tons per Year Potential Uncontrolled VOC Emissions
Reinforced Plastics
Rubber Products Manufacturing with only Molding
Soil Treatment/Remediation
Soil Solvent Extraction System with Package Thermal/Catalytic Oxidizer/Carbon Adsorption
Solvent Degreasing/Cleaning System, Solvent Use >3 gallons per day
Solvent Reclaiming
Source with 3 or more Table C Processes
Stage I Vapor Recovery, Bulk Plants with Loading Racks
Stripping Operation, Equipment or Furniture Refurbishment
Stripping Operation, Liquid Chemical Groundwater/Wastewater Remediation
Tire Shredding/Retreading
Wood Coating Operation subject to RACT including Furniture/Millwork Sources larger than 10 TPY VOC
Any Table C source that receives 3 complaints on different dates during a one year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action.

403.3 Table C Sources:

Abrasive Blasting
Asphalt Day Tanker/Kettle
Cement Products Packaging
Circuit Board Assembly
Circuit Board Manufacturing <5 Tons per Year of VOC
Dry Cleaning
Emergency Internal Combustion Engine
Incinerator, Paper and Cardboard Products
Miscellaneous Solvent Use
Packaging, Mixing & Handling, Granular or Powdered Material other than Cement or Grain
Petroleum Storage, Non-retail Dispensing Operations exempted from Stage I Vapor Recovery by Rule 353
Plastic or Metal Extrusion

Plating, Electroless
Powder Coating
Printing Facilities without Control and < 25 Tons per Year of Potential Uncontrolled
VOC Emissions
Solvent Cleaning, < 3 Gallons Per Day
Spray Coating
Bulk Plant Loading Facilities as Defined by Rule 351, Section 305.1
Storage Tank, Non-Petroleum Volatile Organic Compounds
Vehicle Refinishing
Wood Furniture/ Millwork/ Small Source less than 10 TPY VOC

403.4 Table D Sources:

Service Station and ~~larger~~ Non-resale Dispensing Operations > 120,000 gallons per year

403.5 Table E Sources:

Fuel Burning Equipment

403.6 Table F Sources:

Aggregate Production/Crushing subject to an NSPS under CAA Section 112

Hot Mix Asphalt Plants

Semiconductor Manufacturing \geq 25 Tons per Year Potential Uncontrolled VOC

Emissions or Facility with Controls

Any Table A or Table G source that receives 3 complaints on different dates during a one
year period from different individuals resulting in violations resolved by an order
of abatement by consent or judicial action.

403.7 Table G Sources:

Aggregate Production/Crushing not subject to NSPS under CAA Section 112

Concrete Batch Plant

Any Table B source that receives 3 complaints on different dates during a one year period
from different individuals resulting in violations resolved by an order of
abatement by consent or judicial action.

SECTION 500 - MONITORING AND RECORDS (NOT APPLICABLE)